

BREMER-WAVERLY LAW ENFORCEMENT BOARD

**Independent Auditor's Report
Financial Statements
Auditor's Report on Compliance
& Internal Control**

June 30, 2021 and 2020

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BREMER-WAVERLY LAW ENFORCEMENT BOARD

BOARD OF DIRECTORS

At June 30, 2021

VOTING MEMBERS:

Tim Neil	Chairman	Member-Bremer County Board of Supervisors
Rodney Drenkow	Vice-Chairman	Member-Waverly City Council
Dewey Hildebrandt	Board Member	Member-Bremer County Board of Supervisors
Jay Ranard	Board Member	Member-at-Large
Heather Beaufore	Board Member	Member-Waverly City Council

NON-VOTING ADVISORY MEMBERS:

Dan Pickett	Secretary/Treasurer	Bremer County Sheriff
Richard Pursell	Advisory Member	Waverly Chief of Police

Independent Auditor's Report

To the Board of Directors
Bremer-Waverly Law Enforcement Board

Report on the Financial Statements

I have audited the accompanying financial statements of Bremer-Waverly Law Enforcement Board as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audits. I conducted my audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities of the Bremer-Waverly Law Enforcement Board as of June 30, 2021, and the respective changes in its cash basis financial position for the years ended June 30, 2021 and 2020 in accordance with the basis of accounting described in Note 1.

Basis of Accounting

As discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. My opinions are not modified with respect to this matter.

Other Matters

Supplementary and Other Information

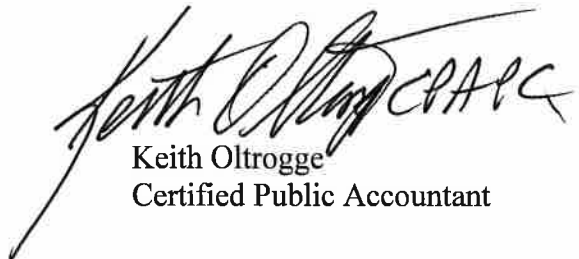
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bremer-Waverly Law Enforcement Board's basic financial statements. I previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2021 (which are not presented herein) and expressed unmodified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In my opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The other information, Management's Discussion and Analysis and Budgetary Comparison Information on Pages 7 through 10 and 21 through 22 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated August 11, 2021 on my consideration of Bremer-Waverly Law Enforcement Board's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bremer-Waverly Law Enforcement Board's internal control over financial reporting and compliance.



Keith Oltrogge
Certified Public Accountant

August 11, 2021

BREMER-WAVERLY LAW ENFORCEMENT BOARD

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2021

Bremer-Waverly Law Enforcement Board provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the Board's financial statements, which follow.

2021 FINANCIAL HIGHLIGHTS

- Revenues of the Board's governmental activities increased 83%, or approximately \$252,000, from fiscal year 2020 to fiscal year 2021. Bremer County support increased approximately \$12,500 and City of Waverly support increased approximately \$5,000.
- Disbursements of the Board's governmental activities increased 88%, or approximately \$250,000, in fiscal year 2021 from fiscal year 2020. Equipment and improvements were approximately \$239,000 and repairs and maintenance were approximately \$73,000.
- The Board's total cash basis net position increased 20.75%, or approximately \$22,500, from June 30, 2020 to June 30, 2021.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Board's financial activities.

The Government-wide Financial Statement consists of a Statement of Activities and Net Position. This statement provides information about the activities of the Board as a whole and presents an overall view of the Board's finances.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Other Information further explains and supports the financial statements with a comparison of the Board's budget for the year.

BASIS OF ACCOUNTING

The Board maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Board are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

REPORTING THE BOARD'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the Board's finances is, "Is the Board as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

The Cash Basis Statement of Activities and Net Position presents the Board's net position. Over time, increases or decreases in the Board's net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

Fund Financial Statements

The Board has one kind of fund:

- A governmental fund accounts for all of the Board's basic services. This fund focuses on how money flows into and out of the fund and the balance at year-end that is available for spending. The governmental fund is the General Fund. The governmental fund financial statements provide a detailed, short-term view of the Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's program.

The required financial statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of financial position. The Board's cash balance for governmental activities increased from a year ago, from \$109,462 to \$132,171. The analysis that follows focuses on the changes in cash balances for governmental activities.

Changes in Cash Basis Net Position of Governmental Activities

	Year Ended June 30,	
	2021	2020
Receipts:		
Program receipts:		
Charges for service:		
Driver's records	\$ 1,890	\$ 1,980
Operating grants, contributions and restricted interest	315,491	297,970
	<u>\$ 317,381</u>	<u>\$ 299,950</u>
General receipts:		
Other general receipts	\$ 238,976	\$ 4,163
Total receipts	<u>\$ 556,357</u>	<u>\$ 304,113</u>
Disbursements		
Public safety	<u>\$ 533,648</u>	<u>\$ 283,204</u>
Change in cash basis net position	\$ 22,709	\$ 20,909
Cash basis net position beginning of year	<u>109,462</u>	<u>88,553</u>
Cash Basis Net Position End of Year	<u>\$ 132,171</u>	<u>\$ 109,462</u>

The Board's total receipts for governmental activities increased 83%, or approximately \$252,000. The total cost of all programs and services increased approximately \$250,000, or 88% with no new programs added this year.

The cost of all governmental activities this year was \$533,648 compared to \$283,204 last year. Overall, the Board's governmental activities program receipts, including intergovernmental aid and fees for service, increased in fiscal year 2021 from \$304,113 to \$556,357. Principally, due to a jail upgrade project.

INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS

As Bremer-Waverly Law Enforcement Board completed the year, its governmental fund reported a fund balance of \$132,171, an increase of \$22,709 from last year's total of \$109,462. The following are the major reasons for the change in fund balance of the major fund from the prior year.

- The General Fund cash balance increased \$22,709 from the prior year to \$132,171. This increase was due to an increase in contributions.

BUDGETARY HIGHLIGHTS

The Board's receipts were \$240,866 more than budgeted. This was primarily due to the Board receiving more in miscellaneous income for upgrades.

Total disbursements were \$131,842 under the amended budget.

DEBT ADMINISTRATION

At June 30, 2021, the Board had no debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Bremer-Waverly Law Enforcement Board's elected and appointed officials considered many factors when setting the fiscal year 2021 budget, including fees charged for various Board activities. One of those factors is the economy.

Amounts available in the operating budget are approximately \$315,289, an increase of 5.8% over the fiscal year 2021 budget. The Board will use these receipts to finance programs we currently offer. The Board has added no major new programs or initiatives to the fiscal 2022 budget.

If these estimates are realized, the Board's budgeted cash balance is expected to break even by the close of fiscal year 2022.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Dan Pickett, Bremer County Sheriff, 111 4th Street NE, Waverly, IA 50677.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION
As of and For the Year Ended June 30, 2021

Functions/Programs	Disburse- ments	Program Receipts	
		Charges For Services	Operating Grants
Governmental Activities:			
Public Safety	\$ 533,648	\$ 1,890	\$ 315,491
General Receipts:			
Miscellaneous			
Total general receipts			
Change in cash basis net position			
Cash basis net position beginning of year			
Cash basis net position end of year			
Cash Basis Net Position			
Unrestricted			

The accompanying notes to the financial statements are an integral part of this exhibit.

Net (Disbursement) Receipts and
Changes in Cash Basis Net Position

Governmental Activities		Total	
\$	-216,267	\$	-216,267
\$	238,976	\$	238,976
\$	238,976	\$	238,976
\$	22,709	\$	22,709
	109,462		109,462
\$	132,171	\$	132,171
\$	132,171	\$	132,171

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH
BALANCES – GOVERNMENTAL FUNDS
As of and For the Years Ended June 30, 2021 and 2020

	General Fund	
	2021	2020
Receipts:		
Operating Grants:		
Bremer County	\$ 214,403	\$ 201,879
City of Waverly	101,088	96,091
Charges for Service:		
Drivers Records	1,890	1,980
Miscellaneous:		
Bremer County - Jail Project	159,214	-
City of Waverly – Jail Project	58,888	-
Other	20,874	4,163
Total Receipts	<u>\$ 556,357</u>	<u>\$ 304,113</u>
Disbursements:		
Public Safety:		
Supplies – Custodial	\$ 2,769	\$ 2,077
Office Supplies & Postage	3,540	5,122
Telephone	13,134	11,120
Utilities	69,651	60,564
Repairs & Maintenance	73,317	44,594
Insurance	12,792	14,166
Audit Fee	2,450	2,400
Miscellaneous	1,443	409
Equipment and Improvements	238,946	38,819
Contract Labor & Benefits	82,070	79,658
Computer Support	20,088	11,088
Mobile Data System	12,845	12,490
Publications	603	697
Total Disbursements	<u>\$ 533,648</u>	<u>\$ 283,204</u>
Excess (Deficiency) of Receipts Over (Under) Disbursements	\$ 22,709	\$ 20,909
Cash Balance-Beginning of Year	109,462	88,553
Cash Balance-End of Year	<u>\$ 132,171</u>	<u>\$ 109,462</u>
Cash Basis Fund Balances		
Unassigned	<u>\$ 132,171</u>	<u>\$ 109,462</u>

The accompanying notes to the financial statements are an integral part of this exhibit.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Law Enforcement Board is a non-profit organization established in 1973 as the owner and caretaker of the Bremer-Waverly Law Center Building as a joint undertaking of Bremer County and the City of Waverly as authorized by Chapter 28E of the Code of Iowa. The Law Center Building was reconstructed in 2005 and 2006, at a cost of \$3.7 million. Cost of reconstruction was funded by local option sales tax revenue bonds being administered by Bremer County. Bond activity and repayment was reflected at the County level. The bonds were repaid in full in 2013.

The Law Enforcement Board is exempt from income tax under the Internal Revenue Code and the Iowa income tax law, which provide tax exemption for governmental entities.

A. Reporting Entity

For financial reporting purposes, Bremer-Waverly Law Enforcement Board has included all funds, organizations, agencies, boards, commissions and authorities. The Board has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the Board's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Board to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Board. The Board has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

Government-wide Financial Statement—The Cash Basis Statement of Activities and Net Position reports information on all of the non-fiduciary activities of the Board. It reports the governmental activities which are supported by tax and intergovernmental revenues.

The Cash Basis Statement of Activities and Net Position presents the Board's non-fiduciary net position. Net Position is reported in the following categories/components:

Restricted net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation. At June 30, 2021, Bremer-Waverly Law Enforcement Board did not have any restricted net position.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrestricted net position consists of net position not meeting the definition of the preceding category. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest on investments restricted to meeting the operational or capital requirements of a particular function. Other items not included among program receipts are reported instead as general receipts.

Fund Financial Statements-Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major governmental funds.

The Board reports the following major governmental fund:

The General Fund is the general operating fund of the Board. All receipts are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges and the capital improvement costs not paid from other funds.

C. Measurement Focus and Basis of Accounting

The Board maintains its financial statements on the basis of cash receipts and disbursements and the financial statements of the Board are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of such funds in accordance with U.S. generally accepted accounting principles.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Under the terms of grant agreements, the Board funds certain programs by a combination of specific grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the Board's policy to first apply grant resources to such programs, and then by general receipts.

When a disbursement in governmental funds can be paid using either restricted or unrestricted resources, the Board's policy is generally to first apply the disbursement toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

D. Governmental Cash Basis Fund Balances

In the governmental fund financial statements, cash basis fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent because they are legally or contractually required to be maintained intact.

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors, or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Assigned – Amounts the Board of Directors intends to use for specific purposes.

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 – CASH AND POOLED INVESTMENTS

The Board's deposits in banks at June 30, 2021 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The Board is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities: certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2021, the Board only had a demand deposit (checking) account.

NOTE 3 – RELATED PARTIES

The Bremer-Waverly Law Enforcement Board establishes an operating budget each year for the Law Center Building operating expenses. The City of Waverly and Bremer County share the operating expenses. The City of Waverly pays approximately 32% of the budget and Bremer County pays approximately 67% of the budget for the Law Center Building. Two City Council members and two County Board of Supervisors members are members of the Law Enforcement Board's Board of Directors.

NOTE 4 – RISK MANAGEMENT

The Board is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 746 members include various governmental entities throughout the State of Iowa. The Pool formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials' liability, police professional liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of the base rate.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4 – RISK MANAGEMENT (continued)

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The Board's property and casualty contributions to the risk pool are recorded as disbursements from its operating funds at the time of payment to the risk pool. The Board's contributions to the Pool for the year ended June 30, 2021 were \$12,792.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professionals and public officials' liability risks up to \$350,000 per claim. Claims exceeding \$350,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the Board's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location. Property risks exceeding \$250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the Board's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – SUBSEQUENT EVENTS

Subsequent events were evaluated by management through August 11, 2021, which is the date the financial statements were available to be issued.

NOTE 6 – COVID-19

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to business across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including the Bremer-Waverly Law Enforcement Board, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of Bremer-Waverly Law Enforcement Board. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to Bremer-Waverly Law Enforcement Board's operations and finances.

Other Information

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

BUDGETARY COMPARISON SCHEDULE OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN BALANCES –
BUDGET AND ACTUAL CASH BASIS – ALL GOVERNMENTAL AND PROPRIETARY
FUNDS
OTHER INFORMATION

Year Ended June 30, 2021

	Governmental Funds Actual	Amended Budgeted Amounts	Final to Total Variance
Receipts:			
Intergovernmental	\$ 315,491	\$ 315,491	\$ -
Charges for service	1,890	-	1,890
Miscellaneous	238,976	-	238,976
Total receipts	<u>\$ 556,357</u>	<u>\$ 315,491</u>	<u>\$ 240,866</u>
Disbursements:			
Public safety	<u>\$ 533,648</u>	<u>\$ 665,490</u>	<u>\$ -131,842</u>
Excess (Deficiency) of Receipts Over (Under)Disbursements	<u>\$ 22,709</u>	<u>\$ -</u>	<u>\$ -22,709</u>
Balance Beginning of Year	<u>\$ 109,462</u>		
Balance End of Year	<u>\$ 132,171</u>		

See accompanying independent auditor's report.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO OTHER INFORMATION – BUDGETARY REPORTING
June 30, 2021

The budgetary comparison is presented in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the Board of Directors annually adopts a budget on the cash basis following required public notice and hearing for all funds except Internal Service Funds and Fiduciary Funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt services, capital projects and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, the Permanent Fund and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund.

Supplementary Information

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF RECEIPTS BY SOURCE AND DISBURSEMENTS BY FUNCTION –
ALL GOVERNMENTAL FUNDS
For the Last Ten Years

	2021	2020	2019	2018
Receipts:				
Intergovernmental	\$ 315,491	297,970	\$ 286,484	\$ 277,395
Charges for service	1,890	1,980	1,676	2,035
Miscellaneous	238,976	4,163	2,305	4,035
Total	<u>\$ 556,357</u>	<u>304,113</u>	<u>\$ 290,465</u>	<u>\$ 283,465</u>
Disbursements:				
Operating:				
Public safety	<u>\$ 533,648</u>	<u>283,204</u>	<u>\$ 311,129</u>	<u>\$ 294,113</u>

See accompanying independent auditor's report.

	2017		2016		2015		2014		2013		2012
\$	265,435	\$	245,018	\$	246,408	\$	241,632	\$	239,724	\$	237,295
	2,324		2,005		1,749		1,843		1,869		2,094
	616		551		1,439		3,517		1,673		956
\$	268,375	\$	247,574	\$	249,596	\$	246,992	\$	243,266	\$	240,345
\$	255,248	\$	265,219	\$	236,985	\$	247,151	\$	290,816	\$	208,225

**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards**

Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Directors
Bremer-Waverly Law Enforcement Board

I have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Bremer-Waverly Law Enforcement Board as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the Board's basic financial statements, and have issued my report thereon dated August 11, 2021. My report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Bremer-Waverly Law Enforcement Board's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bremer-Waverly Law Enforcement Board's internal control. Accordingly, I do not express an opinion on the effectiveness of Bremer-Waverly Law Enforcement Boards internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Bremer-Waverly Law Enforcement Board's financial statements will not be prevented, or detected and corrected on a timely basis.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bremer-Waverly Law Enforcement Board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, I noted certain immaterial instances of non-compliance or other matters which are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Board's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of the Board. Since my audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

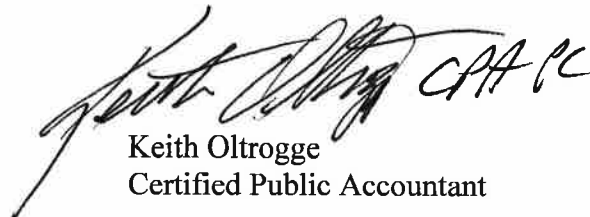
Bremer-Waverly Law Enforcement Board's Responses to the Findings

Bremer-Waverly Law Enforcement Board's responses to the findings identified in my audit are described in the accompanying Schedule of Findings. Bremer-Waverly Law Enforcement Board's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing and not to provide an opinion on the effectiveness of the Board's internal control over compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

I would like to acknowledge the many courtesies and assistance extended to me by personnel of the Bremer-Waverly Law Enforcement Board during the course of my audit. Should you have any questions concerning any of the above matters, I shall be pleased to discuss them with you at your convenience.



Keith Oltrogge
Certified Public Accountant

August 11, 2021

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF FINDINGS
Year Ending June 30, 2021

Part I – Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF FINDINGS
Year Ending June 30, 2021

Part II – Other Findings Related to Required Statutory Reporting:

- II-A-21 Certified Budget – Disbursements during the year ended June 30, 2021 did not exceed the amounts budgeted in the Public Safety function.
- II-B-21 Questionable Disbursements – There were no disbursements I believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979.
- II-C-21 Travel Expense – No disbursements of Board money for travel expenses of spouses of Board officials or employees were noted.
- II-D-21 Business Transactions – There were no business transactions between the Board and Board official or employees.
- II-E-21 Bond Coverage – Surety bond coverage of Board officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure the coverage is adequate for current operations.
- II-F-21 Board Minutes – No transactions were found that I believe should have been approved in the Board minutes but were not.
- II-G-21 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa were noted.